

DEPARTMENT OF LABOR

Enabling Laws

Act 773 of 2003

Other: Ark. Code Ann. 8-7-1001 through -1016; 11-2-101 through 11-7-414; 11-11-101 through 11-13-113; 15-59-111 through -115; 17-28-101 through -310; 20-20-301 through -303; 20-23-101 through -407; 20-24-101 through -119; 20-27-801 through -802; 20-27-901 through -905; 20-27-1101 through -1103; 20-27-1301 through -1317; 20-31-101 through -105; 22-9-212; 22-9-301 through -315; 23-89-501 through -518

History and Organization

The Arkansas Department of Labor's predecessor was established in 1913. In 1937, the Agency received its current name and much of its current structure. Its statutory mission was defined "to promote and develop the welfare of the wage earners of Arkansas, to improve their working conditions, and to advance their opportunities for profitable employment". Ark. Code Ann. § 11-2-101.

The agency has 4 program areas, encompassing 14 functional work units.

Occupational Safety and Health

This program is the largest within the Agency with four (4) divisions or functional units. In addition to ADL's regulatory authority, this program recognizes individuals and companies who have made outstanding strides in the field of safety through its safety award program. All units work collaboratively to present safety conferences and seminars throughout the State. OSHA Consultation is 90% Federally funded and assists employers in complying with federal OSHA regulations. The primary role of this Section is to provide consultation and training to private industry. The Arkansas Occupational Safety and Health (AOSH) section, supported by General Revenue, enforces the State's safety and health laws, primarily with respect to public employment, an area not covered by federal OSHA. It also has responsibility for the enforcement and regulation of State law regarding the operation of amusement rides and works in conjunction with the Amusement Ride Safety Advisory Board. Fees collected for amusement ride inspections and blasting certification provide additional revenue for the Agency. Another role of the AOSH section is to provide a variety of safety training courses to general industry and civic and employee groups, as well as blasting certification. Some employees in this Section are also cross-trained to work in the Mine Safety and Health Administration (MSHA) Section. MSHA is 80% Federally funded and assists miners in complying with Federal safety and health laws by providing free on-site consultation and training to Arkansas's mining industry. Two smaller grants from the U. S. Department of Labor/Bureau of Labor Statistics, one 50% Federally funded and one 100% Federally funded, support the OSH/CFOI section which compiles statistics related to occupational injuries, illnesses and fatalities to facilitate and focus services. General Revenue provides funds for the State match portion for each of these grants.

Labor Standards

The Labor Standards program is responsible for enforcement of the State's wage and hour laws and child labor laws. The program is responsible for licensing private employment agencies. The program provides dispute resolution services for certain small wage disputes, as well as mediation services in collective bargaining situations.

The program is organized functionally into four (4) divisions or work units: Wage and Hour provides enforcement of Arkansas law relating to minimum wage, overtime, child labor, equal pay, and wage collections. The Private Employment Agency Section licenses private employment agencies and otherwise administers and enforces the provisions of the Private Employment Agency Act. The Prevailing Wage Section is responsible for administering the Arkansas Prevailing Wage Law and works under advice of a 12 member Prevailing Wage Advisory Committee created by executive order in 1994. The Mediation Section provides voluntary intervention in a labor dispute in a strictly mediatory or conciliatory capacity to assist in the resolution of the dispute in an effort to avoid lockouts, boycotts and strikes.

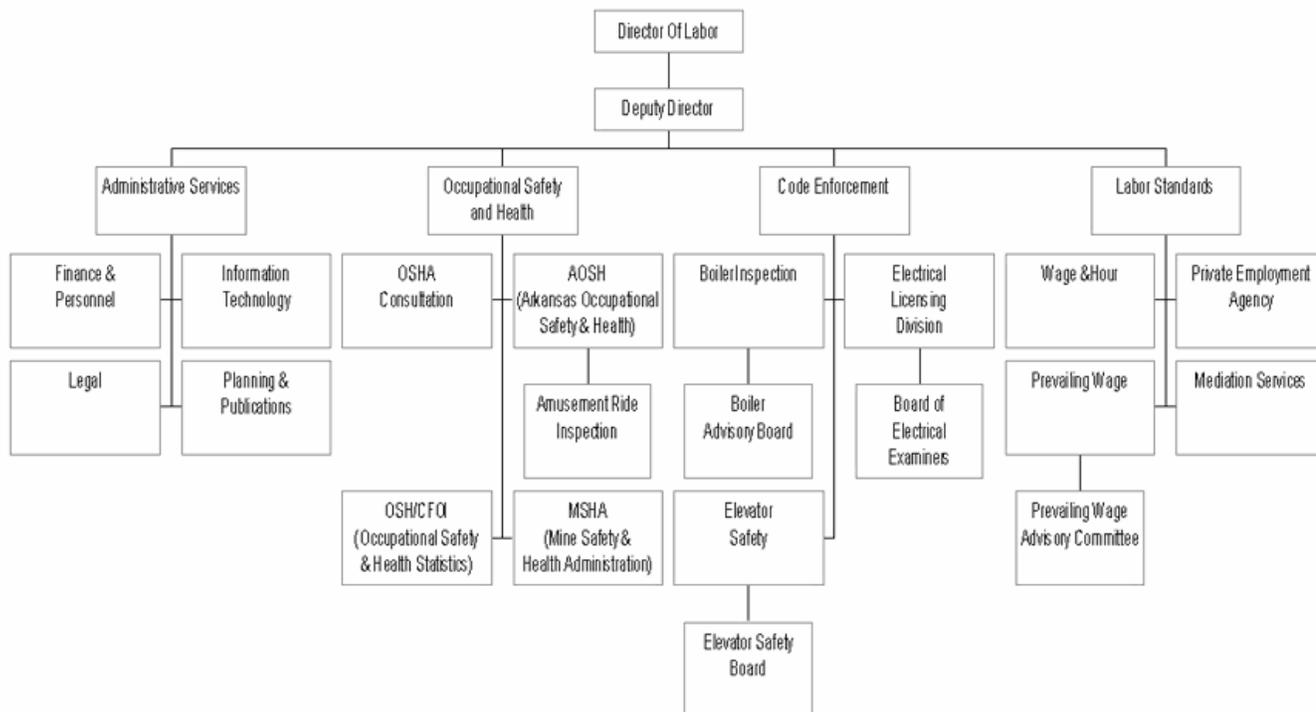
Code Enforcement and Public Safety

The Code Enforcement program's purpose is to protect the public from inherent dangers with respect to the installation, use and operation of certain specialized devices and functions. This is primarily accomplished through licensing, permitting and inspections.

Organizationally, there are three (3) functional divisions or work units within this program. The Boiler Inspection Section is responsible for enforcement, administration and regulation of State law regarding the operation of boilers and pressure vessels. These responsibilities include inspections, permits, and licensing. It is a Special Revenue Section, and works with the Boiler Safety Advisory Board. The Elevator Safety Division is responsible for inspecting and permitting elevators and escalators. It works with the Elevator Safety Board. Fees collected by this Section subsidize the Agency's General Revenue distribution. The Electrical Division is responsible for licensing electricians and for enforcing the State Electrical Code. This Section is a Special Revenue Section and works with the Board of Electrical Examiners.

Administrative Services

This program area has 4 functional work units: Finance & Personnel; Information Technology; Legal; Planning and Publications. Each unit provides in-house support for all agency programs and is primarily funded by General Revenue with appropriate direct and indirect charges to the Federal and Special Revenue funded programs.



Agency Commentary

The Department of Labor's 2005-2007 biennial budget request reflects the Agency's efforts to maintain all operations at a high degree of effectiveness and monetary efficiency by providing required and specialized training for current staff and new hires; improving retention of technically-trained, professional staff by providing promotional opportunities through the Career Ladder Incentive Program; and enhancing Agency services with the use of new and advanced information technologies. The Agency has four (4) major program areas, encompassing 14 functional work units, and is supported by several funding sources that include General Revenue, Special Revenue, Federal funds and fees collected through various enforcement programs.

The Agency is requesting appropriation (and funds for functional units supported solely by General Revenue) in both Maintenance & Operations and Capital Outlay to replace specified IT equipment in accordance with the agency's three-year replacement policy in its Information Technology Plan. Overall, the Agency is also requesting some new classifications and some title changes in order to establish appropriate CLIP Series for employees who are currently Safety Inspectors, Occupational Hygienists, Boiler Inspectors, and Labor Standards Investigators. With new and advanced technologies being used in various industries that the agency services, it has become more critical to provide continuing education and, in some cases, certification for our staff. Additionally, the Agency is requesting consideration to "CLIP" all authorized positions in a currently approved CLIP series, as well as those we are requesting to establish. The Agency is very supportive of the Career Ladder Incentive Program and feels that establishing CLIP series for these classifications will significantly reduce turnover and help the Agency maintain a well-trained, professional staff.

Specific requests for the upcoming biennium are detailed below by major program areas.

The Occupational Safety and Health Program provides on-site consultation services, as well as

comprehensive education and training services to Arkansas employers and employees, and is the enforcement authority with respect to occupational safety and health in the public sector. The program also compiles statistical information on occupational injuries, illnesses and fatalities. The Agency is requesting additional "appropriation and funds" in mileage reimbursement and meals and lodging to cover anticipated expenses for routine and complaint safety and health inspections and investigations, in addition to Maintenance & Operations and Capital Outlay to replace air-monitoring equipment that will enhance legal documentation for inspection files and to replace specified IT equipment in accordance with the Agency's three-year replacement policy in its Information Technology Plan. In the second year of the biennium only, the Agency is requesting "appropriation and funds" for Maintenance & Operations and Travel-Conference Fees for the Arkansas Occupational Safety and Health (AOSH) staff who conducts amusement ride inspections. These employees are required by State law to maintain certification by the National Association of Amusement Ride Safety Officials (NAARSO) which requires a full week of annual training at a permanent amusement facility chosen by the NAARSO Board. The Agency plans to have more inspectors prepared to attend this training in FY07 and is also anticipating an increase in NAARSO certification dues. The Agency is also requesting "appropriation only" for Maintenance & Operations and Capital Outlay during the first year of the biennium to replace outdated industrial hygiene equipment that is used by the OSHA Consultation program in monitoring noise levels and indoor air quality, and in the second year for the replacement of specified OSHA IT equipment.

Personnel requests for this program area include "title change requests" to establish three levels of Occupational Safety and Health Specialists, resulting in the elimination of three existing classifications and reclassification of six (6) Occupational Hygienists, ten (10) Safety Inspectors, and one (1) OSHA Compliance Supervisor. The Agency is also requesting to "CLIP" one (1) Management Project Analyst I and two (2) Secretary II positions, and to reclassify an Agency Program Manager position, Grade 21, to a Program Support Manager, Grade 22, to create more parity in the organizational structure within the Occupational Safety and Health program area.

The Labor Standards Program is responsible for enforcement of the State's wage and hour laws and child labor laws, and for licensing private employment agencies. The program also provides dispute resolution services for certain small wage disputes, as well as mediation services in collective bargaining situations. The Agency is requesting an upgrade and title change in the Labor Standards Investigator classification. The request would upgrade the classification from Grade 17 to Grade 18 and change the title to Labor Standards Investigator I. The Agency is also requesting a new classification for Labor Standards Investigator II, Grade 19, and to "CLIP" six (6) Labor Standards Investigator positions to provide promotional opportunities for these inspectors under the Career Ladder Incentive Program. These investigators provide enforcement of Arkansas law relating to minimum wage, overtime, child labor, equal pay, wage collections and the State's prevailing wage law. While developing an operations manual for the division, the Agency chose to streamline its process for investigating wage claims. As a result, one Management Project Analyst I position has been reallocated to another program and those duties were reassigned to the investigators. Also, a survey of comparable positions in states around the nation, and particularly in our own State and region, indicate the entry-level pay for investigators is below average.

The Agency is also requesting "appropriation and funds" to replace specific IT equipment for this program in accordance with the agency's IT Plan.

The purpose of the Code Enforcement Program is to protect the public from inherent dangers with respect to the installation, use and operation of certain specialized devices and functions. This is primarily accomplished through licensing, permitting and inspections. There are three (3) functional divisions or work units within this program. The Agency is requesting "appropriation and funds" for an increase in mileage reimbursement for routine elevator inspections, an increase in reimbursement for Elevator Board members due to increased Board stipends and mileage reimbursement rate, and an increase in Travel-Conference Fees for elevator inspectors to attend training workshops in order to maintain required certification. "Appropriation and funds" are also being requested to replace specific IT equipment in the Elevator Inspection Division in accordance with the Agency's three-year replacement policy in its Information Technology Plan.

The Agency is also requesting "appropriation only" for four (4) new boiler inspector positions and increases in travel, office supplies and training related expenditures to support these new positions. The Boiler Inspection Division is responsible for annual and biennial inspections, examination and licensing of boiler operators, quality control assurance surveys, ASME Code Shop service, and licensing of firms to install and repair boilers and pressure vessels. Over the past several years, the number of annual inspections conducted by State inspectors has increased, primarily due to the shortage of boiler and pressure vessel inspectors working for private insurance companies. Within the next few years, the number of qualified inspectors in the private sector is expected to reach a critically low level. Therefore, it will become the responsibility of the State to conduct more inspections to insure the safety of these vessels. The Agency is making a "title change" request from Boiler Inspector to Boiler Inspector III, and a request to establish two (2) new classifications, Boiler Inspector I, Grade 17, and Boiler Inspector II, Grade 18, to allow the Agency to hire employees with less experience and provide them training to become commissioned inspectors.

"Appropriation only" requests are also being made in Maintenance & Operations and in Capitol Outlay for the Boiler Inspection Division to replace specified IT equipment in accordance with the Agency's IT Plan and for office furniture as needed.

Additionally, the Agency is requesting "CLIP" reclassifications for three (3) Secretary II positions and two (2) Safety Inspector positions, and two (2) new electrical inspector positions. "Appropriation only" is being requested for related travel, training and membership dues for these new inspectors, as well as for recurring and routine operating expenses that are expected to increase during the next biennium, such as the rental of office space. "Appropriation only" is also being requested for the Electrical Division to purchase notebook PCs for the new inspectors and to replace specified IT equipment in accordance with the Agency's IT Plan.

Finally, the Administrative Services Program provides in-house support for all Agency Programs with appropriate direct and indirect charges to the Federal and Special Revenue funded programs. The only request related to this program area is a "CLIP" reclassification for one (1) Attorney position.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
DEPARTMENT OF LABOR
FOR THE YEAR ENDED JUNE 30, 2003

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	35	35	70	80 %
Black Employees	8	9	17	20 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			17	20 %
Total Employees			87	100 %

Publications

A.C.A 25-1-204

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
Arkansas Department of Labor Annual Report	A.C.A. 11-2-120	Y	Y	400	Keeps citizens of the state, businesses, industries, trade associations, and the Governor aware of department activities and legislative and regulatory changes affecting business and labor conditions.

Department Appropriation / Program Summary

Appropriation / Program	Historical Data						Agency Request and Executive Recommendation							
	2003-2004		2004-2005		2004-2005		2005-2006				2006-2007			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
0800P01 Occupational Safety/Health Prgm	2,214,373	39	2,433,611	44	2,454,420	45	2,621,699	44	2,547,612	44	2,703,156	44	2,659,171	44
0800P02 Labor Standards	509,885	11	566,341	11	567,122	14	611,958	11	602,967	11	631,628	11	622,366	11
0800P03 Code Enforcement	1,290,329	25	1,392,184	27	1,395,008	27	1,731,695	31	1,636,614	31	1,728,122	31	1,660,020	31
0800P04 Administrative Services	1,269,021	16	1,305,569	17	1,307,221	17	1,335,083	17	1,333,015	17	1,362,249	17	1,360,119	17
Total	5,283,608	92	5,697,705	99	5,723,771	103	6,300,435	103	6,120,208	103	6,425,155	103	6,301,676	103

Funding Sources		%		%		%		%		%		%		
Fund Balance	4000005	2,788,344	33.7	2,994,910	34.7		2,935,248	33.0	2,935,248	33.6	2,583,247	30.1	2,628,970	30.9
General Revenue	4000010	2,340,542	28.3	2,340,542	27.1		2,643,811	29.8	2,508,515	28.7	2,663,850	31.1	2,563,728	30.1
Federal Revenue	4000020	1,372,603	16.6	1,601,028	18.5		1,630,000	18.3	1,630,000	18.6	1,630,000	19.0	1,630,000	19.1
Special Revenue	4000030	1,711,154	20.7	1,606,104	18.6		1,584,254	17.8	1,584,254	18.1	1,608,474	18.8	1,608,474	18.9
Cash Fund	4000045	65,875	0.7	90,369	1.1		90,369	1.1	90,369	1.0	90,369	1.0	90,369	1.0
Total Funds		8,278,518	100.0	8,632,953	100.0		8,883,682	100.0	8,748,386	100.0	8,575,940	100.0	8,521,541	100.0
Excess Appropriation/(Funding)		(2,994,910)		(2,935,248)			(2,583,247)		(2,628,178)		(2,150,785)		(2,219,865)	
Grand Total		5,283,608		5,697,705			6,300,435		6,120,208		6,425,155		6,301,676	

Analysis of Budget Request

Appropriation / Program: 0800P01 - Occupational Safety/Health Prgm

Funding Sources: FNA - Federal; HSA - Department of Labor Fund Account; NDW - Seminar and Conference

This Program, Occupational Safety and Health is the largest within the Agency with four (4) divisions. This Program recognizes individuals and companies who have made outstanding strides in the field of safety through its' Safety Award Program. All divisions work collaboratively to present safety conferences and seminars throughout the State.

The Agency's Year-End Progress Report for this Program for FY04 indicates it met or exceeded five out of six measures. This includes one of the two key measures of the Strategic Plan. The target of -3% for the number of injuries and illnesses reported in OSHA targeted small employer high hazard industries was not met. The purpose of the OSHA Consultation Program is to assist employers in identifying and correcting workplace hazards and establishing safety and health management systems. The Agency's ability to make a significant impact on the number of fatalities, injuries and illnesses is limited because assistance is provided only to those businesses requesting service. The Agency will continue to gather industry statistics, but has revised this measure to better reflect the program's impact on those businesses using their services rather than any industry as a whole.

The Agency is requesting a Base Level of \$2,503,956 in FY06 and \$2,558,860 in FY07. Base Level for this program includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for forty-four (44) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency is requesting Change Level of \$117,743 for FY06 and \$144,296 for FY07. Change Levels include:

Regular Salaries and Personal Services Matching:

- Appropriation supporting classification requests of twenty-one (21) positions including title change requests to establish three levels of Safety and Health Specialists, resulting in the elimination of three existing classifications and reclassifications of five (5) Occupational Hygienists, nine (9) Safety Inspectors, and one (1) OSHA Compliance Supervisor; and to reclassify one (1) Agency Program Coordinator, Grade 21 to a Program Support Manager, Grade 22.
- The Agency is not requesting two (2) Secretary II, Grade 13 positions currently authorized.

Operating Expenses:

\$60,690 for FY06 and \$30,198 for FY07

- This Change Level Request is to support mileage reimbursement, meals, and lodging to cover anticipated expenses for routine and complaint safety and health inspections and investigations.

Capital Outlay:

\$5,500 for FY06 and \$61,010 for FY07

- The Agency requests "appropriation only" in Capital Outlay for FY06 for air monitoring equipment necessary for air quality compliance, and for FY07 for new equipment that will enhance legal documentation for inspection files.

The Executive Recommendation provides for Base Level, appropriation only for Capital Outlay, and for position reclassifications as recommended by the Office of Personnel Management. General Revenue funding remains at Base Level.

Appropriation / Program Summary

Appropriation / Program: 0800P01

Occupational Safety and Health Program

Funding Sources:

FNA - Federal; HSA - Department of Labor Fund Account; NDW - Seminar and Conference

Program Description	Program Goals	
This program has overall responsibility for occupational safety and health in Arkansas. The program provides on-site consultation services, as well as comprehensive education and training services to Arkansas employers and employees. The program is the enforcement authority with respect to occupational safety and health in the public sector. The program also compiles statistical information on occupational injuries and illnesses.	1	Improve workplace safety and health in Arkansas.

Objective Code	Name	Description
00KK	Objective 1	Reduce the number of occupational fatalities, injuries and illnesses in Arkansas' workforce.

Performance Measures

Objective	Key Measures		Type	Description	2004 Target Authorized / Actual	2006 Target	2007 Target
	Exec	Leg					
1			Output	Number of OSHA consultation visits or interventions in targeted high hazard industries.	154/681	600	600
1	X	X	Outcome	Percentage decrease in the number of injuries and illnesses reported in OSHA targeted small employer high hazard industries.	-3%/19%	-4%	-5%
1	X	X	Outcome	Number of prior biannual OSHA program audit findings/recommendations repeated in subsequent audit.		<6	<5
1			Outcome	Number (%) of consultation services provided to public and private employers who request services. (777 requests received in FY 01).	100%/AOSH - 100% HA - 90% Overall 95%	90%	90%
1			Output	Number of participants in OSHA's Safety & Health Awareness & Recognition Program SHARP). (Baseline is 2 for FY01)	4/20	40	45
1			Output	Number of persons attending focused training and education seminars or classes.	74/151	1,520	1,540
1	X	X	Outcome	Response rate on injury and illness surveys.	85%/90%	85%	85%

Appropriation / Program Summary

Appropriation / Program: 0800P01 Occupational Safety/Health Prgm

Authorized Program Amount **2,454,420**

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2003-2004	2004-2005	2005-2006			2006-2007		
		Actual	Budget	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,390,216	1,510,952	1,555,896	1,599,290	1,588,013	1,602,103	1,646,789	1,635,184
#Positions		39	44						
Personal Services Matching	5010003	379,876	432,064	461,465	469,624	467,504	470,162	478,564	476,382
Operating Expenses	5020002	372,327	429,845	429,845	490,535	429,845	429,845	460,043	429,845
Travel-Conference Fees	5050009	44,390	49,761	49,761	49,761	49,761	49,761	49,761	49,761
Professional Fees and Services	5060010	1,068	6,989	6,989	6,989	6,989	6,989	6,989	6,989
Capital Outlay	5120011	26,496	4,000	0	5,500	5,500	0	61,010	61,010
Total		2,214,373	2,433,611	2,503,956	2,621,699	2,547,612	2,558,860	2,703,156	2,659,171

Funding Sources									
Fund Balance	4000005	13,135	16,815	28,796	28,796	28,796	46,075	36,665	21,955
General Revenue	4000010	846,836	831,695	897,902	986,699	897,902	966,396	1,013,931	966,396
Federal Revenue	4000020	1,346,612	1,571,028	1,580,464	1,600,000	1,600,000	1,512,930	1,600,000	1,600,000
Cash Fund	4000045	24,605	42,869	42,869	42,869	42,869	42,869	42,869	42,869
Total Funding		2,231,188	2,462,407	2,550,031	2,658,364	2,569,567	2,568,270	2,693,465	2,631,220
Excess Appro/(Funding)		(16,815)	(28,796)	(46,075)	(36,665)	(21,955)	(9,410)	9,691	27,951
Grand Total		2,214,373	2,433,611	2,503,956	2,621,699	2,547,612	2,558,860	2,703,156	2,659,171

Objective Summary

Objective: 00KK Occupational Safety/Health Prgm-Objective 1-Treasury

Description: Reduce the number of occupational fatalities, injuries and illnesses in Arkansas' workforce.

Commitment Item	Historical Data		Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2005-2006			2006-2007		
			Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	1,390,216	1,510,952	1,555,896	1,599,290	1,588,013	1,602,103	1,646,789	1,635,184
#Positions	39	44	44	44	44	44	44	44
Personal Services Matching 5010003	379,876	432,064	461,465	469,624	467,504	470,162	478,564	476,382
Operating Expenses 5020002	372,327	429,845	429,845	490,535	429,845	429,845	460,043	429,845
Travel-Conference Fees 5050009	44,390	49,761	49,761	49,761	49,761	49,761	49,761	49,761
Professional Fees and Services 5060010	1,068	6,989	6,989	6,989	6,989	6,989	6,989	6,989
Capital Outlay 5120011	26,496	4,000	0	5,500	5,500	0	61,010	61,010
Objective Total	2,214,373	2,433,611	2,503,956	2,621,699	2,547,612	2,558,860	2,703,156	2,659,171

Analysis of Budget Request

Appropriation / Program: 0800P02 - Labor Standards

Funding Sources: HSA - Department of Labor Fund Account; NDW - Wage and Hour

The Labor Standards Program is responsible for the enforcement of the State's wage and hour laws, and child labor laws. The Program is responsible for licensing private employment agencies. The Labor Standards Program consists of the following four (4) divisions or work units:

- Wage and Hour
- Private Employment Agency
- Prevailing Wage
- Mediation

The Agency's Year-End Progress Report for this Program for FY04 indicates it met or exceeded all three of its' key measures including 85% (target of 85%) of complaints with investigation initiated in less than 30 days, 83% (target of 78%) of wage claims investigations completed within 60 days, and 71% (target of 65%) of indicator of maintaining a response rate of 65% from targeted contractors on wage surveys.

The Agency is requesting a Base Level of \$583,879 in FY06 and \$595,767 in FY07. Base Level for this program includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for eleven (11) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency is requesting Change Levels of \$28,079 for FY06 and \$35,861 for FY07. Change Levels include:

Regular Salaries and Personal Services Matching:

- Classification requests for upgrade and title change of six (6) Labor Standards Investigator positions. The Agency is not requesting two (2) Secretary II, Grade 13 positions currently authorized.

Operating Expenses:

\$8,058 for FY06 and \$15,239 for FY07

- Request is to replace IT equipment in accordance with the Agency's IT plan.

The Executive Recommendation provides for the Agency Request and for reclassifications as recommended by the Office of Personnel Management. General Revenue funding remains at Base Level.

Appropriation / Program Summary

Appropriation / Program: 0800P02

Labor Standards

Funding Sources:

HSA - Department of Labor Fund Account; NDW - Wage and Hour

Program Description	Program Goals	
This program enforces the state's wage and hour laws and child labor laws. It also provides certain dispute resolution services to employers and employees.	1	Promote and protect the economic security of workers and their families through the administration and enforcement of Arkansas' laws relating to labor standards.

Objective Code	Name	Description
05KK	Objective 1	Ensure compliance with state's wage and hour laws and child labor laws, and improve dispute resolution services.

Performance Measures

Objective	Key Measures		Type	Description	2004 Target Authorized / Actual	2006 Target	2007 Target
	Exec	Leg					
1			Outcome	% of violators during past 5 years inspected.	85%/97%	85%	90%
1	X	X	Outcome	% of complaints with investigation initiated in less than 30 days.	85%/85%	83%	88%
1	X	X	Outcome	% of wage claims investigations completed within 60 days.	78%/83%	87%	90%
1			Outcome	% of hearings scheduled within 30 days of receipt of request.	85%/85%	95%	95%
1	X	X	Outcome	Maintain a response rate of 65% from targeted contractors on wage surveys.	65%/71%	66%	67%
1			Outcome	Provide mediation assistance and compliance training on 100% of requests.	100%/100%	100%	100%
1			Output	Number of persons attending annual training sessions.	10/12	210	220

Appropriation / Program Summary

Appropriation / Program: 0800P02 Labor Standards

Authorized Program Amount	567,122
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Historical Data

Agency Request and Executive Recommendation

Commitment Item		2003-2004	2004-2005	2005-2006			2006-2007		
		Actual	Budget	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	305,843	328,310	338,597	355,450	347,881	348,605	365,964	358,167
#Positions		11							
Personal Services Matching	5010003	94,434	98,645	105,896	109,064	107,642	107,776	111,039	109,574
Operating Expenses	5020002	77,077	88,192	135,692	143,750	143,750	135,692	150,931	150,931
Travel-Conference Fees	5050009	1,823	3,694	3,694	3,694	3,694	3,694	3,694	3,694
Professional Fees and Services	5060010	180	0	0	0	0	0	0	0
Wages Due	5900046	30,528	47,500	0	0	0	0	0	0
Total		509,885	566,341	583,879	611,958	602,967	595,767	631,628	622,366

Funding Sources									
Fund Balance	4000005	26,009	36,751	36,751	36,751	36,751	36,751	36,751	17,663
General Revenue	4000010	479,357	518,841	536,379	564,458	536,379	511,516	547,377	511,516
Cash Fund	4000045	41,270	47,500	47,500	47,500	47,500	47,500	47,500	47,500
Total Funding		546,636	603,092	620,630	648,709	620,630	595,767	631,628	576,679
Excess Appro/(Funding)		(36,751)	(36,751)	(36,751)	(36,751)	(17,663)	0	0	45,687
Grand Total		509,885	566,341	583,879	611,958	602,967	595,767	631,628	622,366

Objective Summary

Objective: 05KK Labor Standards-Objective 1-Treasury

Description: Ensure compliance with state's wage and hour laws and child labor laws, and improve dispute resolution services.

Commitment Item	Historical Data		Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2005-2006			2006-2007		
			Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	305,843	328,310	338,597	355,450	347,881	348,605	365,964	358,167
#Positions	11	11	11	11	11	11	11	11
Personal Services Matching 5010003	94,434	98,645	105,896	109,064	107,642	107,776	111,039	109,574
Operating Expenses 5020002	77,077	88,192	135,692	143,750	143,750	135,692	150,931	150,931
Travel-Conference Fees 5050009	1,823	3,694	3,694	3,694	3,694	3,694	3,694	3,694
Professional Fees and Services 5060010	180	0	0	0	0	0	0	0
Wages Due 5900046	30,528	47,500	0	0	0	0	0	0
Objective Total	509,885	566,341	583,879	611,958	602,967	595,767	631,628	622,366

Analysis of Budget Request

Appropriation / Program: 0800P03 - Code Enforcement

Funding Sources: MLS - Boiler Inspection; HSA - Department of Labor Fund Account;
MLS - Board of Electrical Examiners

The Code Enforcement Program is to protect the public from inherent dangers with respect to the installation, use and operation of certain specialized devices and functions. There are three (3) divisions or work units within this Program. They are as follows:

- Boiler Inspection
- Elevator Safety
- Electrical

The Agency's Year-End Progress Report for this Program for FY04 indicates it met or exceeded two of three key measures. Target of 100% for compliance inspections conducted at 100% of reported amusement rides and attractions was met successfully. The Agency exceeded the key measure of conducting and verifying compliance inspections within 60 days of the due date on boilers and elevators with an actual of 93% (target of 86%). The key measure not met (actual 78% versus 95% targeted) was to ensure that cited safety violations are corrected within 60 days of receipt of the inspection report. The Elevator Inspection Section has addressed 100% of violations, but have granted time extensions beyond the 60-day requirement for the remaining 50% due to the nature of repairs needed to be in full compliance. Verification of corrections are also difficult for amusement rides due to the mobility of this industry and the limited number of certified inspectors to conduct these compliance inspections. The Agency is working on procedures to improve this result in coming years.

The Agency is requesting a Base Level of \$1,384,805 in FY06 and \$1,413,581 in FY07. Base Level for this Program includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for twenty-five (25) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency is requesting a Change Level of \$346,890 for FY06 and \$314,541 for FY07. Change Levels include

Regular Salaries and Personal Services Matching:

- Classification requests of eight (8) positions.
- Requests for four (4) new Boiler Inspectors, Grade 19; and two (2) new Electrical Inspectors, Grade 19 positions.
- The Agency is not requesting two (2) Secretary II, Grade 13 positions currently authorized.

Operating Expenses:

\$102,220 for FY06 and \$72,683 for FY07

- The Agency requests appropriation and funding for Operating Expenses for anticipated increase in mileage reimbursement for routine elevator inspections and an increase in reimbursement for elevator board members due to increased Board stipends and mileage reimbursement rate.

Travel Conference and Fees:

\$9,567 for FY06 and \$11,727 for FY07

- Increase is requested in order for elevator inspectors to attend training workshops for employees to maintain required certification.

The Executive Recommendation provides for Base Level and the following:

- appropriation for four (4) new Boiler Inspectors and two (2) new Electrical Inspectors with no additional General Revenue funding;
- \$30,000 in appropriation for Operating Expenses each year of the biennium with no additional General Revenue funding;
- \$11,000 in appropriation for Capital Outlay in FY06 with no additional General Revenue funding; and
- Position reclassifications recommended by the Office of Personnel Management.

Appropriation / Program Summary

Appropriation / Program: 0800P03 Code Enforcement (Public Safety)

Funding Sources: MLS - Boiler Inspection; HSA - Department of Labor Fund Account; MLS - Board of Electrical Examiners

Program Description	Program Goals	
Protect the public from inherent dangers with respect to the use or operation of certain specialized devices and functions, such as boiler, elevators, amusement rides, blasting, and electrical installations.	1	Improve public safety with respect to operation and use of devices and functions regulated by the agency.

Objective Code	Name	Description
10KK	Objective 1	Minimize accidents, injuries and fatalities resulting from improper construction, installation, operation or use, and repair of devices or functions regulated by the agency.

Performance Measures

Objective	Key Measures		Type	Description	2004 Target Authorized / Actual	2006 Target	2007 Target
	Exec	Leg					
1	X	X	Output	Compliance inspections conducted at 100% of reported amusement rides and attractions.	100%/100%	100%	100%
1	X	X	Efficiency	Conduct or verify compliance inspections within 60 days of due date on boilers and elevators.	86%/93%	88%	90%
1	X	X	Outcome	Ensure that 95% of cited safety violations are corrected within 60 days of inspection.	95%/78%	88%	90%
1			Outcome	Issue permits and licenses within 2 working days of receipt of a technically qualifying application.	97%/97%	97%	98%

Appropriation / Program Summary

Appropriation / Program: 0800P03 Code Enforcement

Authorized Program Amount **1,395,008**

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2003-2004	2004-2005	2005-2006			2006-2007		
		Actual	Budget	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	752,614	814,348	808,602	977,846	966,657	832,826	1,007,143	995,620
#Positions		25	27	25	31	31	25	31	31
Personal Services Matching	5010003	221,618	243,651	248,018	302,877	300,772	252,570	308,384	306,215
Operating Expenses	5020002	287,959	307,581	307,581	409,801	337,581	307,581	380,264	337,581
Travel-Conference Fees	5050009	18,842	20,604	20,604	30,171	20,604	20,604	32,331	20,604
Capital Outlay	5120011	9,296	6,000	0	11,000	11,000	0	0	0
Total		1,290,329	1,392,184	1,384,805	1,731,695	1,636,614	1,413,581	1,728,122	1,660,020

Funding Sources									
Fund Balance	4000005	2,749,200	2,941,344	2,869,701	2,869,701	2,869,701	2,509,831	2,509,831	2,589,352
General Revenue	4000010	297,639	120,541	156,265	171,825	156,265	164,987	178,767	164,987
Special Revenue	4000030	1,184,834	1,200,000	868,670	1,200,000	1,200,000	899,239	1,200,000	1,200,000
Total Funding		4,231,673	4,261,885	3,894,636	4,241,526	4,225,966	3,574,057	3,888,598	3,954,339
Excess Appro/(Funding)		(2,941,344)	(2,869,701)	(2,509,831)	(2,509,831)	(2,589,352)	(2,160,476)	(2,160,476)	(2,294,319)
Grand Total		1,290,329	1,392,184	1,384,805	1,731,695	1,636,614	1,413,581	1,728,122	1,660,020

Objective Summary

Objective: 10KK Code Enforcement-Objective 1-Treasury

Description: Minimize accidents, injuries and fatalities resulting from improper construction, installation, operation or use, and repair of devices or functions regulated by the agency.

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2003-2004	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	752,614	814,348	808,602	977,846	966,657	832,826	1,007,143	995,620
#Positions	25	27	25	31	31	25	31	31
Personal Services Matching 5010003	221,618	243,651	248,018	302,877	300,772	252,570	308,384	306,215
Operating Expenses 5020002	287,959	307,581	307,581	409,801	337,581	307,581	380,264	337,581
Travel-Conference Fees 5050009	18,842	20,604	20,604	30,171	20,604	20,604	32,331	20,604
Capital Outlay 5120011	9,296	6,000	0	11,000	11,000	0	0	0
Objective Total	1,290,329	1,392,184	1,384,805	1,731,695	1,636,614	1,413,581	1,728,122	1,660,020

Analysis of Budget Request

Appropriation / Program: 0800P04 - Administrative Services

Funding Sources: HSA-Department of Labor Fund Account; FNA-Federal;
MLS-Department of Labor Special Fund

The Administrative Services Program contains the four (4) functional work units, as follows:

- Finance and Personnel
- Information Technology
- Legal
- Planning and Publications

Each unit provides in-house support for all Agency Programs and is primarily funded by General Revenue with appropriate direct and indirect charges to the Federal and Special Revenue funded programs.

The Agency's Year-End Progress Report for this program for FY04 indicates targets for two of three key measures were met or exceeded including the number of prior year state or federal audit findings repeated in subsequent audit (actual of 0, target of less than 4); and the percent of agency Administrative budget to total agency budget (actual of 15%, target of less than 20%). The one key measure for the target which was not met was the percent of Agency performance measures met (actual of 81%, target 92%).

The Agency is requesting a Base Level of \$1,330,155 in FY06 and \$1,357,173 in FY07. Base Level for this program includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for seventeen (17) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency is requesting Change Level of \$4,928 for FY06 and \$5,076 for FY07. Change Level requests include:

Regular Salaries and Personal Services Matching:

\$4,928 for FY06 and \$5,076 for FY07

- Classification requests of four (4) positions including a title change of one (1) Labor OSHA Compliance Supervisor to a Safety and Health Specialist III, and one (1) Boiler Inspector to a State Boiler Inspector III.

The Executive Recommendation provides for the Agency Request with no additional General Revenue funding.

Appropriation / Program Summary

Appropriation / Program: 0800P04 Administrative Services

Funding Sources: HSA-Department of Labor Fund Account; FNA-Federal; MLS-Department of Labor Special Fund

Program Description	Program Goals	
This program encompasses Finance and Personnel, Information Technology, Planning and Publications, and Legal services. These divisions provide support and resources to all Department of Labor programs and external customers, including payroll and human resource management, budgeting and accounting, purchasing, grants management, internal auditing, printing, public information and media development assistance, information technology planning, installation, and training, and legal advice and enforcement assistance.	1	Ensure responsible administration of the agency's human, financial, material and technological resources.

Objective Code	Name	Description
15KK	Objective 1	Provide support and resources necessary to ensure that department programs are able to meet their objectives and performance targets.
16KK	Objective 2	Effectively utilize information technology resources to support the agency's mission.

Performance Measures

Objective	Key Measures		Type	Description	2004 Target Authorized / Actual	2006 Target	2007 Target
	Exec	Leg					
1	X	X	Outcome	Number of prior year state or federal audit findings repeated in subsequent audit.	less than 4/0	<2	0
1	X	X	Outcome	Percent of agency key performance measures met.	92%/81%	92%	94%
1	X	X	Efficiency	Percent of agency Administration budget to total agency budget.	less than 20%/15%	<20%	<20%
1			Outcome	Number of days to enter all year-end closing entries into AASIS required for CAFR Report.		63 days	63 days
1			Outcome	Number of security and privacy policies promulgated by the State Executive Chief Information Officer implemented in required timeframe.		4	4
2			Efficiency	Percent of agency Information Technology budget to total agency budget.	<5%/6%	<7%	<6%

Appropriation / Program Summary

Appropriation / Program: 0800P04 Administrative Services

Authorized Program Amount **1,307,221**

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2003-2004	2004-2005	2005-2006			2006-2007		
		Actual	Budget	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	710,667	779,175	801,388	805,535	803,795	824,171	828,442	826,650
#Positions		16	17						
Personal Services Matching	5010003	177,377	202,480	214,853	215,634	215,306	219,088	219,893	219,555
Operating Expenses	5020002	348,527	304,333	304,333	304,333	304,333	304,333	304,333	304,333
Travel-Conference Fees	5050009	2,885	8,570	8,570	8,570	8,570	8,570	8,570	8,570
Professional Fees and Services	5060010	0	1,011	1,011	1,011	1,011	1,011	1,011	1,011
Capital Outlay	5120011	29,565	10,000	0	0	0	0	0	0
Total		1,269,021	1,305,569	1,330,155	1,335,083	1,333,015	1,357,173	1,362,249	1,360,119

Funding Sources									
General Revenue	4000010	716,710	869,465	917,969	920,829	917,969	920,829	923,775	920,829
Federal Revenue	4000020	25,991	30,000	27,932	30,000	30,000	27,870	30,000	30,000
Special Revenue	4000030	526,320	406,104	384,254	384,254	384,254	408,474	408,474	408,474
Total Funding		1,269,021	1,305,569	1,330,155	1,335,083	1,332,223	1,357,173	1,362,249	1,359,303
Excess Appro/(Funding)		0	0	0	0	792	0	0	816
Grand Total		1,269,021	1,305,569	1,330,155	1,335,083	1,333,015	1,357,173	1,362,249	1,360,119

Objective Summary

Objective: 15KK Administrative Services-Objective 1-Treasury

Description: Provide support and resources necessary to ensure that department programs are able to meet their objectives and performance targets.

Commitment Item	Historical Data		Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2005-2006			2006-2007		
			Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	588,383	652,179	670,584	674,731	672,991	689,444	693,715	691,923
#Positions	13	14	14	14	14	14	14	14
Personal Services Matching 5010003	146,002	168,601	178,742	179,523	179,195	182,240	183,045	182,707
Operating Expenses 5020002	342,321	303,735	303,735	303,735	303,735	303,735	303,735	303,735
Travel-Conference Fees 5050009	2,885	8,570	8,570	8,570	8,570	8,570	8,570	8,570
Professional Fees and Services 5060010	0	1,011	1,011	1,011	1,011	1,011	1,011	1,011
Capital Outlay 5120011	29,565	10,000	0	0	0	0	0	0
Objective Total	1,109,156	1,144,096	1,162,642	1,167,570	1,165,502	1,185,000	1,190,076	1,187,946

Objective Summary

Objective: 16KK Administrative Services-Objective 2-Treasury

Description: Effectively utilize information technology resources to support the agency's mission.

Commitment Item	Historical Data		Agency Request and Executive Recommendation					
	2003-2004	2004-2005	2005-2006			2006-2007		
	Actual	Budget	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	122,284	126,996	130,804	130,804	130,804	134,727	134,727	134,727
#Positions	3	3	3	3	3	3	3	3
Personal Services Matching 5010003	31,375	33,879	36,111	36,111	36,111	36,848	36,848	36,848
Operating Expenses 5020002	6,206	598	598	598	598	598	598	598
Objective Total	159,865	161,473	167,513	167,513	167,513	172,173	172,173	172,173